

# Financials

## Summary Financial Statement

In FY02, Yellowstone spent \$41.7M on Operations and Maintenance and \$13.3M on Investments. These pages describe Yellowstone’s financial status in FY02, highlighting the park’s Operations and Maintenance (O&M) expenditures and requirements. The park described its resource requirements in the context of a five-year time horizon.

As seen at the bottom of the table on the opposite page, Yellowstone requires \$64.4M in Operations and Maintenance funding to fully meet its mission. In FY02, the park had \$41.7M in available O&M funding. The difference between these required and available resources represents a deficit of \$22.7M. This deficit amounts to 35% of the required O&M budget. In terms of staff, the park had 597.3 FTE in FY02, while the required FTE is 867.8—a deficit of 270.6 FTE. Yellowstone’s percent of deficit relative to required resources is consistent with the deficits identified by other parks that have completed business plans. This plan is a measure of the financial and human resources required for Yellowstone to fulfill its mandates and meet standards. It is not a budget request.

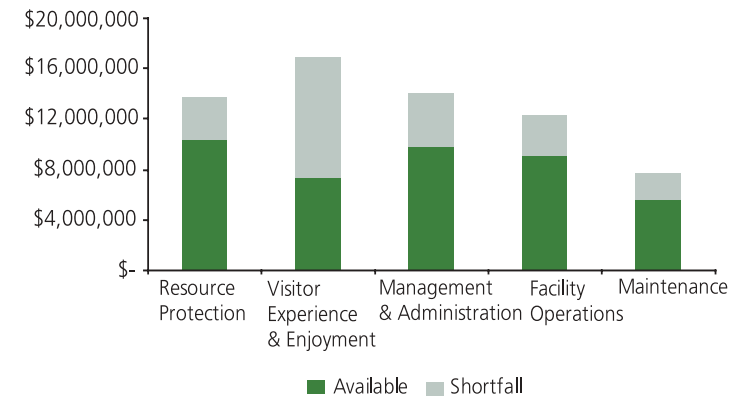
### Funding gaps and strategic priorities

As the table on the opposite page and the chart to the right show, all functional areas have identified a funding deficit. The deficit in Visitor Experience and Enjoyment (101.7 FTE and \$9.5M) is the primary driver of the overall deficit. This functional area accounts for 42% of Yellowstone’s total deficit. The individual programs with the greatest deficits were Visitor Safety Services (\$5.6M) and Interpretation (\$1.4M).

### FY02 fund sources

The pie chart to the left describes the sources of the park’s FY02 expenditures: appropriated base, appropriated non-

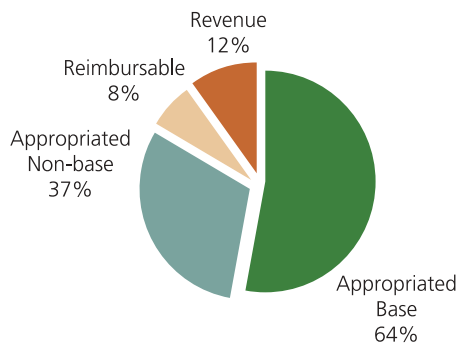
### FY02 Required Funds by Functional Area



base, reimbursable, and revenue. In FY02, appropriated base dollars funded 64% of Operations and Maintenance activities at Yellowstone. Appropriated non-base funds provided over one-third of the park’s O&M expenditures in FY02.

In the financial statement on the opposite page, the columns labeled “appropriated” and “non-appropriated” show fund sources by program. Fund sources vary slightly by function. Of the appropriated dollars, the Visitor Experience and Enjoyment function received the highest percentage of base funding (70%), while the Resource Protection function received the highest percentage of non-base funding (37.1%). The latter is likely due to the fact that Yellowstone periodically receives one-time non-base appropriations for wildland fire operations.

### FY02 Expenditures by Fund Source



FUNCTIONAL AREAS AND PROGRAMS	REQUIRED		AVAILABLE				SURPLUS/(DEFICIT)			
	FTE	Funds	APPROPRIATED		NON-APPROPRIATED		TOTAL			
			Base	Non-base	Reimbursable	Revenue	FTE	Funds		
RESOURCE PROTECTION										
Cultural Resource Management	24.9	\$1,809,614	\$573,856	\$142,039	\$8,270	\$12,010	12.9	\$736,175	(12.0)	(\$1,073,439)
Information Integration and Analysis	4.5	\$297,272	\$166,999	\$9,987	\$385	\$850	2.2	\$178,221	(2.3)	(\$119,051)
Resource Protection Mgmt. and Administration	16.6	\$1,275,250	\$520,721	\$3,455	\$687	\$17,043	6.5	\$541,906	(10.2)	(\$733,344)
Natural Resource Management	140.5	\$10,167,229	\$4,441,514	\$3,603,710	\$496,108	\$259,157	106.3	\$8,800,490	(34.2)	(\$1,366,740)
Subtotal	186.5	\$13,549,365	\$5,703,090	\$3,759,192	\$505,450	\$289,060	127.9	\$10,256,792	(58.6)	(\$3,292,573)
VISITOR EXPERIENCE AND ENJOYMENT										
Concessions Management	8.6	\$555,601	\$425,766	\$6,176	\$20,709	\$12,811	8.3	\$465,462	(0.4)	(\$90,139)
Education	14.0	\$1,032,205	\$95,906	\$25,210	\$68,786	\$630	3.6	\$190,532	(10.4)	(\$841,673)
Fee Collection	37.0	\$1,647,888	\$359,330	\$23,260	\$40,009	\$1,003,711	37.1	\$1,426,309	0.1	(\$221,578)
Interpretation	46.1	\$2,837,726	\$1,064,731	\$98,896	\$148,027	\$103,232	34.6	\$1,414,887	(11.5)	(\$1,422,839)
VEE Management and Administration	17.1	\$1,339,931	\$528,152	\$4,583	\$283	\$21,394	7.6	\$544,412	(9.5)	(\$785,518)
Visitor Center Operations	21.5	\$983,036	\$400,908	\$30,725	\$55,737	\$7,622	16.6	\$494,992	(4.9)	(\$488,043)
Visitor Safety Services	103.1	\$7,897,494	\$1,933,635	\$143,629	\$42,856	\$137,462	40.5	\$2,257,582	(62.7)	(\$5,639,912)
Visitor Use Services	14.8	\$570,009	\$314,581	\$18,265	\$90,840	\$100,968	12.3	\$524,654	(2.5)	(\$45,356)
Subtotal	262.1	\$16,863,889	\$5,123,009	\$350,745	\$467,247	\$1,387,829	160.42	\$7,328,830	(101.7)	(\$9,535,059)
FACILITY OPERATIONS										
Campgrounds Operations	9.1	\$320,911	\$152,379	\$25,678	\$45,178	\$66,233	5.8	\$289,469	(3.3)	(\$31,442)
Buildings Operations	22.3	\$2,056,827	\$764,609	\$67,507	\$210,958	\$132,344	14.8	\$1,175,418	(7.5)	(\$881,409)
Grounds Operations	5.2	\$241,058	\$128,354	\$35,780	\$26,731	\$9,472	4.5	\$200,337	(0.8)	(\$40,721)
Janitorial Operations	16.5	\$611,070	\$282,648	\$24,037	\$100,484	\$29,689	13.5	\$436,859	(3.0)	(\$174,211)
Facility Operations Management and Administration	16.6	\$1,147,672	\$851,967	\$16,915	\$80,100	\$45,044	16.5	\$994,026	(0.1)	(\$153,646)
Roads Operations	33.5	\$2,624,355	\$1,343,814	\$49,674	\$272,997	\$125,180	26.3	\$1,791,666	(7.2)	(\$832,689)
Trails Operations	12.8	\$641,738	\$158,856	\$67,553	\$29,815	\$65,443	7.7	\$321,667	(5.1)	(\$320,070)
Transportation Systems and Fleet Operations	13.0	\$1,470,037	\$782,785	\$132,160	\$31,190	\$15,766	6.3	\$961,901	(6.7)	(\$508,137)
Utilities Operations	30.9	\$3,242,441	\$794,537	\$135,441	\$732,565	\$1,120,067	28.0	\$2,782,610	(2.9)	(\$459,832)
Subtotal	160.0	\$12,356,109	\$5,259,950	\$554,745	\$1,530,019	\$1,609,238	123.47	\$8,953,951	(36.5)	(\$3,402,157)
MAINTENANCE										
Buildings Maintenance	20.1	\$1,752,654	\$939,565	\$332,722	\$152,289	-\$20,856	17.0	\$1,403,720	(3.1)	(\$348,934)
Maintenance Management and Administration	11.1	\$746,863	\$543,450	\$33,280	\$59,409	\$16,774	10.3	\$652,913	(0.8)	(\$93,950)
Roads Maintenance	23.2	\$1,648,102	\$518,726	\$193,962	\$31,466	\$173,841	14.6	\$917,996	(8.6)	(\$730,106)
Trails Maintenance	14.8	\$917,480	\$186,171	\$158,757	\$27,929	\$200,993	10.3	\$573,850	(4.5)	(\$343,631)
Transportation Systems and Fleet Maintenance	24.0	\$1,972,727	\$1,317,552	\$23,604	\$108,160	\$36,658	18.7	\$1,485,974	(5.3)	(\$486,754)
Utilities Maintenance	10.5	\$683,172	\$204,792	\$27,151	\$186,506	\$79,424	5.7	\$497,874	(4.7)	(\$185,298)
Subtotal	103.6	\$7,720,998	\$3,710,256	\$769,477	\$565,759	\$486,834	76.57	\$5,532,326	(27.0)	(\$2,188,672)
MANAGEMENT AND ADMINISTRATION										
Communications	40.4	\$3,102,979	\$1,775,519	\$13,778	\$320	\$60,548	29.9	\$1,850,165	(10.6)	(\$1,252,815)
External Affairs	10.4	\$739,693	\$387,020	\$59,934	\$18,093	\$887	6.1	\$465,935	(4.3)	(\$273,758)
Financial Management	11.0	\$697,390	\$345,809	\$1,737	\$6,417	\$35,459	6.8	\$389,421	(4.2)	(\$307,969)
General Administration	19.8	\$1,165,591	\$864,850	\$39,135	\$13,741	\$22,738	13.8	\$940,464	(6.0)	(\$225,126)
General Management	26.8	\$1,938,096	\$977,727	\$116,876	\$25,977	\$68,543	16.5	\$1,189,123	(10.4)	(\$748,973)
Parkwide Safety	12.4	\$921,739	\$569,138	\$42,204	\$32,781	\$55,584	9.9	\$699,707	(2.5)	(\$222,033)
Partnerships	12.1	\$653,886	\$269,636	\$43,611	\$52,566	\$157,942	11.2	\$523,755	(1.0)	(\$130,131)
Planning	22.7	\$4,712,735	\$652,228	\$2,243,912	\$91,436	\$561,186	14.9	\$3,548,762	(7.8)	(\$1,163,974)
Subtotal	155.7	\$13,932,110	\$5,841,927	\$2,561,187	\$241,332	\$962,886	108.9	\$9,607,331	(46.7)	(\$4,324,778)
Grand Total	867.8	\$64,422,471	\$25,638,232	\$7,995,346	\$3,309,807	\$4,735,846	597.3	\$41,679,231	(270.6)	(\$22,743,240)

This financial statement has been prepared from the books and records of the National Park Service in accordance with NPS accounting policies. The resources available reflect the total Operations and Maintenance expenses incurred by the park during FY02. The resources required represent the funding needed to operate the park while fully meeting operational standards as defined in business plan supporting documentation. Program requirements are presented as a five-year planning tool based on salary and wage tables from the same fiscal year, given current resource inventories and current park infrastructure. Changes resulting from one-time projects and capital improvements (e.g., Investments) may impact the operational requirements presented.

Investment expenditures for capital improvements or other one-time projects are not accounted for in this statement, which presents the available and required resources only for O&M activities. See page 30 for more information.

The value of donated materials and in-kind services is not included as an available resource in this statement because these materials and services are not solely used for required operations. See page 28 for information on the valuation of work performed by volunteers.

If the shortfall in FTE were mitigated through hiring additional people, management overhead costs would increase proportionately.

The deficit in FTE for the Natural Resource Management program is actually 28.5. Bison and Fisheries programs received funding in FY02, but many positions remained unfilled for some part of the year, understating the available FTE.

## Volunteer Analysis



*Volunteers are vital to the park's resource programs.*

The Volunteers In Parks (VIP) program was established in 1970 to provide a means by which the National Park Service can accept and utilize voluntary help and services from the public in a way that is mutually beneficial to the NPS and the volunteer. VIPs are an important resource at Yellowstone National Park. While there are regulations that restrict the type of work volunteers can do, the time they donate is vital to helping the park accomplish its mission.

### The value of volunteers

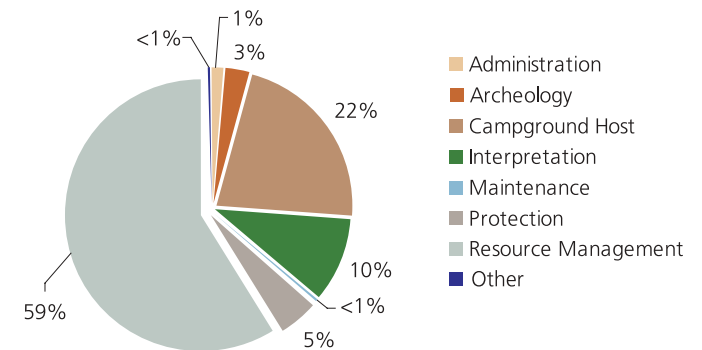
In FY02, 444 VIPs contributed a total of 88,088 hours to Yellowstone, comprising a net benefit to the park of \$1.36M. This is calculated by valuing the volunteer hours at \$16.05 (the national average calculated by the NPS), and subtracting the costs of managing and housing the volunteers. As Yellowstone is a large park in a remote area of the country, the ability to provide housing for volunteers is a limiting factor. For example, if a volunteer lives in Gardiner, Montana, but is needed at the Fishing Bridge Visitor Center at Yellowstone Lake, housing must be supplied by the park because it would take two hours or longer to drive this distance. In FY02, VIP housing costs totaled \$42,000. VIPs are also reimbursed for costs incurred, but this is a comparatively minor expense.

### Areas benefiting from VIPs

The chart to the right shows the eight servicewide categories to which the VIP hours are allocated. In FY02, volunteers donated their time in the following ways:

- **Resource Management:** The majority of park volunteer hours (59%) contributed to resource-related projects such as wolf studies, fisheries data collection, and geothermal inventories.
- **Campground Hosts:** Campground hosts contributed 19,306 hours, or 22% of the total. By living at the seven campgrounds run by the park, they served as points of

### FY02 Volunteer Hours by Category



contact for campers and park staff, assisted in disseminating information, and handled routine problems. They also performed light maintenance and notified park staff of campground needs.

- **Interpretation:** Interpretation hours composed 10% of the total and were mainly used to run the Museum of National Park Ranger during the summer. Volunteers also assisted interpretive rangers at visitor centers during busy periods.
- **Protection:** The 4,336 hours shown in this category primarily reflect time spent in the backcountry offices answering questions and helping visitors fill out permits.
- **Others:** The remaining 4% (3,782 hours) was spent on archeological, administrative, and maintenance activities. While maintenance personnel utilized help from the Youth Conservation Corps, these hours are not reflected here because the participating individuals received minimum wage. Therefore, they did not qualify as volunteers.

## Government Performance and Results Act

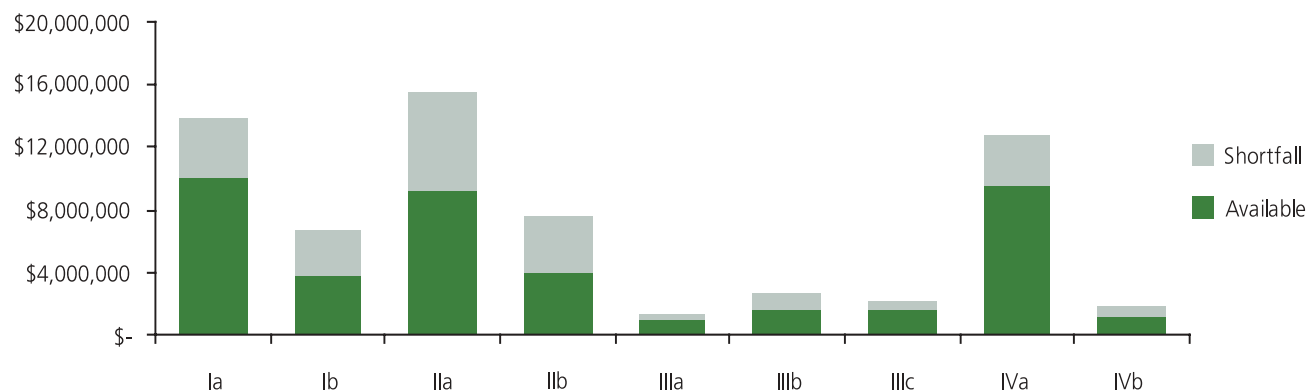
Congress passed the Government Performance and Results Act (GPRA) of 1993 to enforce a greater degree of accountability for mission accomplishment, and to stimulate efficient, effective practices in federal agencies. GPRA mandates federal agencies to define performance goals and track their ability to meet these goals. With a focus on outcomes rather than efforts, GPRA provides a tool for tracking the effectiveness of spending within particular programs. This in turn facilitates management decisions regarding optimal allocation of park funding. The following chart shows how Yellowstone chose to distribute its resources across the four GPRA goals during FY02:

- **Goals I and II:** The National Park Service's dual mission to preserve resources and provide for visitor enjoyment is accounted for by GPRA goal categories I and II. The majority of Yellowstone's efforts, approximately 64%, were dedicated to resource preservation and public enjoyment activities. These programs are central to fulfilling the park's mission and require further resources; fully 74% of

the funding shortfall is attributed to Goals I and II.

- **Goal III:** The NPS also strives to develop strong partnerships with public and private organizations. In FY02, Yellowstone spent approximately 10% of its expenditures on partnerships with organizations such as the Greater Yellowstone Coordinating Committee, Yellowstone Association, the Yellowstone Park Foundation, and the Youth Conservation Corps. Considering current funding levels, the park estimates that 9% of its shortfall affects its ability to further partnerships.
- **Goal IV:** Yellowstone continually strives to increase its organizational effectiveness, thereby improving the park's ability to achieve its mission. In FY02, Yellowstone spent approximately 26% of its budget on improving its everyday management practices and processes, as well as its information technology systems. Realizing the widespread benefits of such activities, the park estimates that 18.1% of its shortfall relates to Goal IV.

**FY02 Expenditures by GPRA Goal**



## GPRA Mission Goals

### I. Preserve Park Resources

- Natural and cultural resources and associated values are protected, restored, and maintained in good condition and managed within their broader ecosystem and cultural context.
- The National Park Service contributes to knowledge about natural and cultural resources and associated values; management decisions about resources and visitors are based on adequate scholarly and scientific information.

### II. Provide for the Public Enjoyment and Visitor Experience of Parks

- Visitors safely enjoy and are satisfied with the availability, accessibility, diversity, and quality of park facilities, services, and appropriate recreational opportunities.
- Visitors and the general public understand and appreciate the preservation of parks and their resources for this and future generations.

### III. Strengthen and Preserve Natural and Cultural Resources and Enhance Recreational Opportunities Managed by Partners

- Natural and cultural resources are conserved through formal partnership programs.
- Through partnerships with other federal, state, and local agencies and nonprofit organizations, a nationwide system of parks, open space, rivers and trails provides educational, recreational, and conservation benefits for the American people.
- Assisted through federal funds and programs, the protection of recreational opportunities is achieved through formal mechanisms to ensure continued access for public recreational use.

### IV. Ensure Organizational Effectiveness

- The National Park Service uses current management practices, systems, and technologies to accomplish its mission.
- The National Park Service increases its managerial resources through initiatives and support from other agencies, organizations, and individuals.



## Funded Investments



*Advances in GIS technology require annual hardware and software upgrades.*

In FY02, Yellowstone spent \$13.3M on Investments. Investments are defined as significant, one-time costs that parks incur in order to fix current problems or provide for future development. Yellowstone National Park implements numerous Investments to better achieve the park mission, such as constructing new facilities, purchasing new information technology infrastructure, and conducting baseline inventories of natural and cultural resources.

Appropriated non-base funds are typically allocated to cover the cost of labor and non-labor needs associated with Investment projects. The majority of Yellowstone's FY02 Investment funding covered non-labor costs (84%), while the remaining 16% provided the labor associated with implementing Investment projects. Examples of FY02 Funded Investment projects include:

- **Condition assessments on government facilities and contract development (\$1.5M):** The park has taken a proactive approach to asset management by contracting with private companies to conduct condition assessments on government facilities assigned to concessioners. Condition assessments will ensure deferred maintenance and structural fire items are identified and addressed in future concession contracts.
- **Federal Lands Highway Program (\$293K):** The park funded natural and cultural resource planning, compliance, and GIS support activities on active road segments.
- **Construction of the Heritage and Research Center (\$6.1M):** Yellowstone initiated construction of this facility to house historic records, photographs, rare books, manuscripts, and other cultural and natural history objects.
- **Construction and acquisition of employee housing (\$1.5M):** The park constructed an employee housing facility in the Lake District, and acquired the Lapeyre House in Gardiner, Montana.
- **Mitigation of invasive aquatic species (\$253K):** Yellowstone received funds for a project geared toward

eradicating lake trout and researching whirling disease at Yellowstone Lake.

- **Cultural resource preservation projects (\$243K):** The park conducted ten small projects to preserve collections, historic structures, and archeological resources.
- **GIS resource information upgrades (\$62K):** Yellowstone conducted several GIS data collection and mapping projects, including a geothermal and thermophile inventory, and the development of a planning and compliance database, a fire history atlas, and noxious weed mapping.
- **Infrastructure technology and communications upgrades (\$33K):** The park funded a variety of technology and communications needs, including an upgrade to servers and an intercom system, new software, and better hand-held radios.

Investment funding is designed to fund one-time projects that increase or maintain Yellowstone's asset base. However, due to unfunded Operations and Maintenance requirements, such as cyclic maintenance of facilities and roads and preventive maintenance for park vehicles, the park often uses Investment funds for O&M activities. This budgeting practice allows the park to fulfill many of its unfunded O&M requirements, but creates a false sense of funding stability. Non-base sources of money can vary greatly from year to year, thereby becoming an unsteady funding base for annual park requirements. This becomes especially important when considering that many of the park's O&M personnel costs are currently funded with Investment dollars (e.g., approximately 60% of the carpenter shop). Thus, if Investment funding declines, so does the park's ability to support personnel performing O&M activities. Managers are currently working to reduce the park's dependence on Investment funding for O&M requirements by requesting justifiable increases in the park's current base budget.



*The new Heritage and Research Center is scheduled to be completed in FY2004.*